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**FISCAL IMPACT STATEMENT**

**LS 6194**

**BILL NUMBER: SB 302**

**NOTE PREPARED:** Jan 18, 2009

**BILL AMENDED:**

**SUBJECT:** Pharmacy Prescription Drug Pricing Report.

**FIRST AUTHOR:** Sen. Miller

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State

**Summary of Legislation:** This bill requires a pharmacy annually to report specified pricing information to the Board of Pharmacy.

The bill requires the Board to: (1) review the reports; (2) keep the reports confidential; and (3) prepare a summary of the reports for the Legislative Council and the chairperson and vice chairperson of the Health Finance Commission.

**Effective Date:** July 1, 2009.

**Explanation of State Expenditures:** The bill would require the Pharmacy Board to develop a uniform data collection instrument and a method to collect the data electronically in order to assemble a data set for analysis. The Board would need to collect and maintain data from approximately 1,800 pharmacies that dispense thousands of different legend drugs. The Board is to collect the wholesale and retail price as reported by the dispensing pharmacy and all third-party negotiated prices paid for each drug. The Board reported that retail prices of legend drugs can change frequently, as often as daily, and that retail prices can vary even among stores that have the same brand name. The Board further reported that negotiated third-party prices would vary greatly based upon the prescription plan for each type of policy. Due to the unknown variables related to the amount and complexity of the data required to be collected, the cost is indeterminate at this time.

The provisions of the bill would also apply to pharmacies operated within state-operated facilities. The cost of compliance with the reporting requirements is indeterminate.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Board of Pharmacy, Indiana Professional Licensing Agency (IPLA).

**Local Agencies Affected:**

**Information Sources:** Board of Pharmacy, IPLA

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